



# **State of New Hampshire Prescription Drug Benefits Booklet**

September 1, 2005

## **Your Pharmacy Benefit**

The Local Government Center (LGC), in coordination with Medco, administers the State of New Hampshire's employee and retiree prescription drug benefit under four (4) plan design options. They are listed below as Categories 1 through 4. Categories 1 and 2 have no pharmacy deductible. Categories 3 and 4 each have a pharmacy deductible, set forth below. Only Category 3 has an annual benefit maximum.

### **Category 1 (New Hampshire Troopers Association)**

#### Retail Pharmacy Program

Generic Drugs	\$10 co-payment
Preferred Drugs	\$20 co-payment
Non-preferred Drugs	\$35 co-payment

#### Medco By Mail Program

Generic Drugs	\$20 co-payment
Preferred Drugs	\$40 co-payment
Non-preferred Drugs	\$70 co-payment

#### Annual Out-of-Pocket Maximum

Individual	\$1,000 per person per calendar year
Family	\$2,000 per family per calendar year

### **Category 2 (State Employees Association and Other Active Employees)**

#### Retail Pharmacy Program

Generic Drugs	\$5 co-payment
Preferred Drugs	\$10 co-payment
Non-preferred Drugs	\$15 co-payment

#### Medco By Mail Program

Generic Drugs	\$10 co-payment
Preferred Drugs	\$20 co-payment
Non-preferred Drugs	\$30 co-payment

#### Annual Out-of-Pocket Maximum

Individual	\$500 per person per calendar year
Family	\$1,000 per family per calendar year

### **Category 3 (Retirees Under 65)**

#### Retail Pharmacy Program

All Covered Drugs	\$50 deductible per person per calendar year, then 20% co-insurance
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#### Medco By Mail Program

All Covered Drugs	\$4.00 co-payment
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#### Annual Benefit Maximum

\$2,000 per person per calendar year through  
Retail Pharmacy Program

#### Annual Out-of-Pocket Maximum

None

**Category 4 (Retirees Over 65)**

Retail Pharmacy Program	
All Covered Drugs	\$100 deductible per person per calendar year; then 20% co-insurance for next \$400 in expenses; covered at 100% thereafter
Medco By Mail Program	
All Covered Drugs	\$4.00 co-payment
Annual Out-of-Pocket Maximum	None

**Notes**

1. Categories 1 and 2 use the "Preferred Prescriptions Formulary". "Preferred Drugs," and "Non-Preferred Drugs" are designated by Medco in that formulary. These designations are subject to change from time to time.
2. Categories 3 and 4 are not based on the "Preferred Prescriptions Formulary."
3. Co-payments and co-insurance are the amount paid by you for each prescription, or authorized refill. The co-payments for each category provided above are based on a single prescription, or refill. Each prescription shall not exceed a thirty-one (31)-day supply for the Retail Pharmacy and a ninety (90)-day supply for the Medco By Mail Program. This is subject to exceptions for certain pre-packaged drugs with greater than a 31-day supply.

## **Your Pharmacy Options**

**Medco By Mail**

All enrollees are offered the option of having their long-term medications (those taken for 3 months or more) delivered to their home or office. Medications are dispensed by Medco By Mail pharmacists through its network of mail-order pharmacies.

**Medco By Mail Basics**

- You may obtain up to a 90-day supply (compared with a typical 31-day supply at retail) of each covered medication for one mail-order co-payment. When using Medco By Mail, you should ask your doctor to write a prescription for up to a 90-day supply of each medication (plus refills for up to 1 year, if appropriate).
- Registered pharmacists are available 24 hours a day, 7 days a week.
- Order refills online, by mail, or by phone—anytime day or night. To order online, register at [www.medco.com](http://www.medco.com). Refills are usually delivered within 3 to 5 days after your order is received.
- Choose a payment option—check, money order, credit card, or Medco's automatic payment program.
- Standard shipping is free.

**How to Initiate Medco By Mail**

Your medication will usually be delivered within 8 days after your order is received. If you are currently taking a medication, be sure to have at least a 14-day supply on hand when ordering. If you do not have enough, ask your doctor to give you a second prescription for a 14-day supply and fill it at a participating retail pharmacy while your mail-order prescription is being processed.

You may also choose to sign up for Medco By Mail online. To register, visit [www.medco.com](http://www.medco.com) and follow the instructions. Once you have registered, click "Order Center" and follow the instructions. Medco will contact your doctor to transfer your current prescriptions to Medco By Mail. You may also have your doctor fax your prescriptions. Ask your doctor to call 1.888.327.9791 for faxing instructions.

### **Online Services**

If you have Internet access, you can take advantage of Medco's website. After you register at [www.medco.com](http://www.medco.com) you may:

- Review plan highlights and get health and wellness information
- Compare brand-name and generic drug prices
- Obtain order forms, claim forms, and envelopes
- Submit mail-order refills
- Check the status of Medco By Mail orders
- Check and pay mail-order account balances

### **Medco By Mail Program Co-Payments**

You will be responsible to pay the applicable co-payment to Medco for each prescription, or refill, dispensed by Medco, under the Medco by Mail Program, as provided in the applicable plan design option. In those instances where your co-payment would otherwise be greater than the pricing for any drug covered, you will pay the lower price. Medco may suspend the Medco by Mail Pharmacy Program services to you if you are in default of any co-payment amount due.

Medco By Mail Pharmacies will dispense covered drugs to you, and dispense generic drugs when authorized, in accordance with applicable laws and regulations in the state in which Medco By Mail Pharmacy is located. All matters pertaining to the dispensing of covered drugs, or the practice of the pharmacy in general, are subject to the professional judgment of the dispensing pharmacist. Any drug that cannot be dispensed in accordance with the manufacturer, or regulatory protocols, may be excluded from coverage by Medco.

### **Certain Limits**

Medco's Home Delivery Pharmacies will not be required to dispense prescriptions for greater than a ninety (90)-day supply of covered drugs per prescription or refill, subject to the professional judgment of the dispensing pharmacist, limitations imposed on controlled substances, and the manufacturer's recommendations. Prescriptions may be refilled provided it is stated in the prescription.

Prescriptions will not be filled: (i) more than twelve (12) months after issuance; (ii) more than six (6) months after issuance for controlled drug substances; or (iii) if prohibited by applicable law or regulation.

### **Retail Pharmacy**

- You may obtain up to a 31-day supply of covered medication for each prescription or refill.
- You may want to use a participating retail pharmacy for short-term prescriptions (such as antibiotics to treat infections). Be sure to show your prescription drug ID card to the pharmacist, and pay your retail co-payment for each prescription.

At the point of sale, you will be responsible to pay the applicable co-payment for each prescription or authorized refill dispensed under the Retail Pharmacy Program as provided in the applicable plan design option. At the point of sale, your payment will not be greater than the Usual and Customary (U & C) price of the participating pharmacy. The U & C price means the usual and customary retail price charged by a participating pharmacy to individual retail customers in the ordinary course of business for a prescription or refill. In those instances where your co-payment would otherwise be greater than the U & C Price of the participating pharmacy, you will pay only the U & C cost.

Participating pharmacy means a retail pharmacy that has entered into an arrangement with Medco to participate in Medco's Select National Network. The network of participating pharmacies that comprises Medco's Select National Network may be modified from time to time.

A non-participating pharmacy is a licensed retail pharmacy that is not a participating pharmacy. If you use a non-participating retail pharmacy, you must pay the entire cost of the prescription and then submit a

reimbursement claim to Medco. When you use a non-participating pharmacy, you will be reimbursed the amount the drug would have cost at a participating retail pharmacy, minus your retail co-payment.

To find a participating retail pharmacy near you:

- Visit [www.medco.com](http://www.medco.com) and click "Locate a Pharmacy."
- Ask at your retail pharmacy whether it participates in the Medco network.

## **The Generic Drug Advantage**

Generic drugs may have unfamiliar names, but they are safe and effective. Generic drugs and their brand-name counterparts:

- Have the same active ingredients
- Are manufactured according to the same federal regulations

Generic drugs may differ in color, size, or shape. However, the U.S. Food and Drug Administration requires that the active ingredients have the same strength, purity, and quality as the brand-name alternatives. Prescriptions filled with generic drugs often have a lower co-payment. Therefore, you may be able to get the same health benefits at a lower cost. You should ask your doctor, or pharmacist, whether a generic drug would be right for you. You may be able to receive the same high-quality medication and reduce your expenses.

## **Medications Preferred By Your Plan Design**

The State of New Hampshire's pharmacy plan includes a list of prescription drugs that are preferred because they help to control prescription drug costs. This list, called a formulary, has a wide selection of generic and brand-name medications. It is encouraged that you bring a copy of the list of preferred medications with you to each doctor visit to discuss whether a drug on the list is right for you. If you need information about it now, visit us at [www.medco.com](http://www.medco.com), or call us toll-free at 1.800.666.3320.

The "Preferred Prescriptions® Formulary" means the prescription drug formulary administered by Medco which lists FDA approved drugs that have been evaluated for inclusion on the Preferred Prescriptions® Formulary. The drugs included on the Preferred Prescriptions® Formulary may be modified by Medco from time to time as a result of factors including, but not limited to, medical appropriateness, manufacturer rebate arrangements, and patent expirations. Medco implements formulary management programs, which may include cost containment initiatives, communications with you, participating pharmacies and/or physicians (including communications regarding generic substitution programs), and financial incentives to participating pharmacies for their participation.

## **What is Covered**

Covered drugs are drugs, which under New Hampshire or federal law, require a prescription and are designated as part of the plan design outlined below. Excluded from covered drugs are: (i) cosmetic drugs; (ii) appliances, devices, bandages, heat lamps, braces, splints, and artificial appliances; and (iii) health and beauty aids, cosmetics, and dietary supplements, unless otherwise required by New Hampshire or federal law, and is a prescription drug provided through Medco.

All State of New Hampshire plan design options cover the following:

- State-restricted drugs
- Compound medications
- Diabetes supplies, including insulin syringes
- Insulin by prescription only
- Federal legend drugs, including:
  - Cardiovascular drugs
  - Anti-infectives
  - Dermatological therapies
  - Ear, nose, and throat medications

- Ophthalmology drugs
- Respiratory, allergy, cough, and cold medications
- Oral diabetes drugs
- Growth hormones and injectables
- Birth control devices and oral contraceptives
- Immunizing agents

Certain controlled substances, and other prescribed medications, may be subject to dispensing limitations and to the professional judgment of the pharmacist. Prescriptions for certain controlled substances may be shipped under separate cover.

## **What is Not Covered**

All plan design options exclude coverage for the following:

- Therapeutic devices or appliances
- Anorexients
- Non-federal legend drugs, except insulin
- Smoking deterrents – Smoking deterrents may be obtained at a discount through Medco By Mail.
- Drugs labeled “Caution—Limited by Federal Law to Investigational Use,” or experimental drugs, regardless of whether a charge is made to the member
- Medication for which the cost is recoverable under any workers’ compensation or occupational disease law or any state or government agency, or medication furnished by any other pharmaceutical or medical service for which no charge is made to the member
- Medication taken or administered to the member while he or she is a patient in a licensed hospital, rest home, sanitarium, extended care facility, skilled nursing facility, convalescent hospital, nursing home, or similar institution that operates on its premises, or allows to be operated on its premises, a facility for dispensing pharmaceuticals
- Any prescription that has reached the maximum number of refills specified by the physician, or any prescription that is more than one year old

## **Your Plan Has Prior Authorization Requirements and Coverage Limits**

All plan design options are subject to prior authorization and certain coverage limits from Medco for the following drugs:

### **Drugs that may require prior authorization**

- State-restricted drugs
- Erectile dysfunction agents
- Erythroid stimulants
- Fertility agents
- Growth hormones
- Interferon agents
- Multiple sclerosis therapy
- Myeloid stimulants
- Select injectable medications
- *Wellbutrin SR®*

### **Drugs with quantity limits**

- Erectile dysfunction agents

For example, prescription drugs used for cosmetic purposes may not be covered, or a medication may be limited to a certain amount (such as the number of pills or the total dosage) within a specific time period. If you submit a prescription for a drug that has coverage limits, your pharmacist will tell you that approval is needed before the prescription may be filled. The pharmacist will give you, or your doctor, a toll-free

number to call. If you use Medco By Mail, your doctor will be contacted directly. When a coverage limit is triggered, more information is needed to determine whether your use of the medication meets your plan's coverage conditions. Your doctor will be notified of the decision in writing. If coverage is approved, the letter will indicate the amount of time for which coverage is valid. If coverage is denied, an explanation will be provided along with instructions on how to submit an appeal.

### **Medco Special Care Pharmacy**

Some conditions, such as multiple sclerosis, Hepatitis C, rheumatoid arthritis, cystic fibrosis, infertility, pulmonary hypertension, RSV prophylaxis, Gaucher disease, and growth hormone deficiency, are treated with specialty drugs. Specialty drugs means those pharmaceutical products that are generally biotechnical in nature, with many requiring injection, or other non-oral methods of administration, and that have special shipping or handling requirements. The Medco Special Care Pharmacy provides the following, with respect to specialty drugs:

- Up to a 90-day supply of your specialty medication for just one Medco By Mail co-payment
- Access to nurses who are trained in specialty medications
- Answers to your questions about specialty medications from a pharmacist 24-hours a day, 7-days a week
- Coordination of home care and other healthcare services

For additional information, call the Medco Special Care Pharmacy at 1.800.666.3320.

### **Appeals**

The Local Government Center, in conjunction with Medco, administers the appeals process on behalf of the State of New Hampshire for any claim denials or prior authorization denials.

There are two types of appeals:

- Administrative – These are benefit coverage decisions that are strictly based on the plan's benefit design. These appeals do not require additional information to be obtained from the prescribing doctor, but may require additional information from you.
- Clinical – These are benefit coverage decisions that are based on the plan's prior authorization requirement and require additional information to be obtained from the prescriber.

To file an appeal, you must have first received a denial explanation in writing. This means that if you receive a denial at a retail pharmacy, or through the Medco by Mail program, you will need to contact Medco by phone or by mail to request that the denial explanation letter be sent to you. The denial explanation letter will be mailed within 15 days of your request. When filing for a first level appeal, you must submit a benefit coverage request form directly to Medco. Benefit coverage request forms are available online or by contacting Medco by phone. In supporting this request, you may include a letter provided by your physician. If appropriate, Medco may obtain additional information from your physician.

All administrative and clinical appeals will be reviewed according to your plan design provisions, and a decision will be mailed to you within 15 days of receipt of your written request for pre-service claims and within 30 days for post-service claims. Requests for first level appeals must be received within 180 days of the initial denial. If you are not satisfied with the outcome of the first level appeal, you may request a second level appeal. Second level appeals must be received within 90 days of the first level denial. Second level appeals are final and binding, and will be processed within 15 days of receipt at Medco for pre-service claims and within 30 days for post-service claims. Urgent pre-service claims will be processed within 72 hours from the receipt of the claim at Medco.

Completed forms may be mailed or faxed to the following address:

Medco Health Solutions of Irving  
8111 Royal Ridge Parkway  
Irving, TX 75063  
Attention: Administrative Reviews  
Fax Number: 1.888.235.8551  
Phone Number: 1.800.864.1135

## **Coordination of Benefits**

If any covered dependents have primary prescription drug coverage through another employer-sponsored plan or Medicare, they have the ability to submit deductibles, co-payments, or co-insurance not covered by the primary plan for reimbursement under this plan. Reimbursement will be provided for covered drugs as outlined in the "What is Covered" section of this Benefits Booklet and subject to any plan design limitations.

## **General Information**

- **Member Services – Medco**  
Member Services is available 24-hours a day, 7-days a week (except Thanksgiving and Christmas) by calling toll-free 1.800.666.3320. Medco's Member Services representatives will:
  - Help you find a participating retail pharmacy
  - Send you order forms, claim forms, benefit coverage request forms and envelopes
  - Answer questions about your prescriptions or plan coverage
- **Member Services – Local Government Center**  
Member Services is available Monday – Friday from 8:30 a.m. to 4:30 p.m. by calling 603.224.7447, or toll-free 1.800.527-5001. Local Government Center's Member Services representatives will:
  - Help you find a participating retail pharmacy
  - Send you order forms, claim forms, benefit coverage request forms and envelopes
  - Order replacement Identification Cards
  - Confirm eligibility status
- **Accessing Medco by TTY**  
TTY is available for hearing-impaired members. Call 1.800.759.1089.
- **Ordering Prescription Labels Printed in Braille**  
Braille labels are available for mail-order prescriptions. Call 1.800.666.3320.

## **Other Things You Should Know**

- **Drugs and your safety**  
The risks associated with drug-to-drug interactions and drug allergies can be very serious. Medco will check for potential interactions and allergies, whether you use Medco By Mail or medco.com®. Medco will also send this information electronically to participating retail pharmacies.
- **Medco may contact your doctor about your prescription**  
If you are prescribed a drug that is either not in the Preferred Prescription Formulary, or is not on the preferred list, yet an alternative preferred drug exists, Medco may contact your doctor to ask whether that drug would be appropriate for you. Please be assured that your doctor will always make the final decision on all your medications. If your doctor agrees to use a plan-preferred drug, you will never pay more and will usually pay less.



- **Local Government Center and Medco protect your privacy**

Because your privacy is important, the Local Government Center and Medco comply with federal privacy regulations. They use health and prescription information about you and your dependents only to administer the State of New Hampshire's prescription drug plan and to fill your mail-order prescriptions.